

ROADMAP DOCUMENT TO FY 2016 ANNUAL COMPLIANCE REPORT

Purpose: The purpose of this document is to help readers navigate the costs, revenues, rates, and service materials presented to the Postal Regulatory Commission by the Postal Service as its FY 2016 Annual Compliance Report (ACR) in response to 39 U.S.C. § 3652.

Specifically, with respect to the series of associated folder (each denominated as “USPS-FY16-x” or “USPS-FY16-NPx”), this document briefly describes the purpose of each folder, the inputs to and outputs from that folder, and any changes in methodology incorporated into that folder. The intent is to allow the reader to understand the flow of information building to the summary data identified in the statute.

USPS-FY16-9 also includes a section responding to Commission Rule 3050.12 which covers data obsolescence.

Predecessor: The most recent predecessor document was the Roadmap document (USPS-FY15-9) found in the Postal Services’ FY 2015 Annual Compliance Report.

Organization: USPS-FY16-9 is organized into three sections. Section I presents, generally on a folder-by-folder basis, a brief description of each set of materials. As applicable, this description includes, for folders in this ACR, an indication of the sources of the inputs used, and an indication of the downstream materials that make use of the outputs. Section II identifies, again generally on a folder-by-folder basis, any material changes in methodology incorporated into preparation of the associated data. Section III presents information responsive to Commission Rule 3050.12 on data obsolescence.

There are four relatively distinct major types of folders included in the appended material. The first type is essentially the subclass/product costing material, most recently filed in the Postal Service’s FY 2015 ACR. The focus of these materials, in terms of the ultimate output, is the domestic Cost and Revenue Analysis (CRA) report. The second type is the comparable costing material with respect to international mail, filed in response to the Commission’s international reporting requirements. The focus of these materials, in terms of output, is the International Cost and Revenue Analysis (ICRA) report. The third type is material relating to intra-product cost analyses, generally relating to workshare cost avoidances. Most recently, this information was provided in the Postal Service’s FY2015 Annual Compliance Report. The fourth type is billing determinant information, which, for both domestic and international mail, has generally been filed with the Commission on an annual basis.

Note, that sections 1 and 2 of these materials are further divided into two broad categories, public information and the nonpublic annex. Folders in the public version are labeled as “USPS-FY16-x.” Folders in the nonpublic annex are labeled as “USPS-FY16-NPx.” The “NP” refers to Nonpublic. This roadmap includes descriptions and information regarding methodological changes related to both public and nonpublic

folders. Presentation of such information in this document, however, has no effect on the public or nonpublic status of the underlying set of materials.

All four of these major bodies of material (CRA, ICRA, workshare, and billing determinant) are familiar to the Commission. They are presented in formats similar to what both the Commission and other parties participating in historical postal rate proceedings, and past ACDs, have seen and worked with before. In that sense, the Postal Service has minimized the burden on parties seeking to review these materials quickly and identify areas of potential interest.